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INVESTOR PRESENTATION
MAY 2020

CAPRICORN METALS LTD

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This announcement may contain certain "forward-looking statements" and comments about future events. Forward-looking statements may include words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "outlook", "upside", "likely", "intend", "should", "could", "may", "target", "plan", and other similar expressions. Indications of, and guidance on, production, future earnings and financial position and performance are also forward-looking statements. These statement are provided as a general guide only and should not be relied upon as an indication, prediction or guarantee of future performance. Actual results may differ materially from those expressed

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COMPETENT PERSON'S STATEMENT

The information in this presentation that relates to Exploration Results is extracted from the ASX announcements released 31 January 2020 and 8 April 2020 entitled "Quarterly Report and Cashflow Report" and for which Competent Person's consents were obtained. The Competent Person's consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this presentation that relates to Mineral Resources or Ore Reserves is extracted from the Mineral Resource and Ore Reserve Statement released to the Australian Securities Exchange on 17 April 2020 and for which Competent Person's consents were obtained. The Competent Person's consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

LISTING RULE 5.23 DISCLOSURE

The detailed information relating to the Ore Reserves and Mineral Resources reported in this presentation were announced in the Company's ASX announcement dated 17 April 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcement dated 17 April 2020 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not materially changed from previous market announcements.

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Capricorn Metals - Six Point Investment Thesis

1. Management team – proven mine developers & wealth creators

- Samantha Gold, Equigold & Regis Resources
- Numerous open pit/CIL projects developed and operated
- Enviable equity returns delivered – dividends & tight capital management

2. Karlawinda Gold Project is a long life, high margin project

- 12 year project life on current Reserves
- Low technical risk mining and proven plant design

3. Development is fully funded and underway

- Commissioning targeted March 2021 quarter

4. Western Australia – arguably best mining jurisdiction in the world

- More important than ever in COVID-19 environment

5. Significant exploration opportunity

- Large tenure, expansive greenstone & paucity of past exploration outside mine

6. Re-rate equity value through delivery

- Australian gold producer equities attract premium valuations
- CMM only ASX developer constructing a domestic gold project >100kozpa with first production FY21

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Corporate Summary

Capital Structure*	
ASX Code	CMM
Shares on issue	326.7 million
Unlisted options/rights	20.3 million
Share price	$1.28
Market Cap	$418 million
12 month range	$0.38 – $1.46
Cash (as at 31 March 2020)	$68.0 million

Major Shareholders

Hawkes Point Holdings	16.8%
Paradice Investment Mgt	8.9%
Eley Griffiths Group	5.2%
Board & Executives	9.7%

No significant Gold ETF holders

Directors and Management

Mark Clark – Executive Chairman
Mark Okeby – Non Exec Director
Myles Ertzen – Non Exec Director
Kim Massey – CEO
Paul Thomas – COO
Tammie Dixon – CFO
Stephen Evans – GM Karlawinda

** As at 30 April 2020*

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Karlawinda Gold Project

Standout WA greenfields gold development project

- 2.1 Moz Total Mineral Resources[1,2]
- 1.2 Moz Open Pit Ore Reserve[1,3]
- Annual production target 105,000 - 120,000 ounces
- AISC target A$1,140 – 1,190 per ounce
- Project is fully funded, targeting commissioning March 2021 quarter

Development of the Karlawinda Gold Project Underway

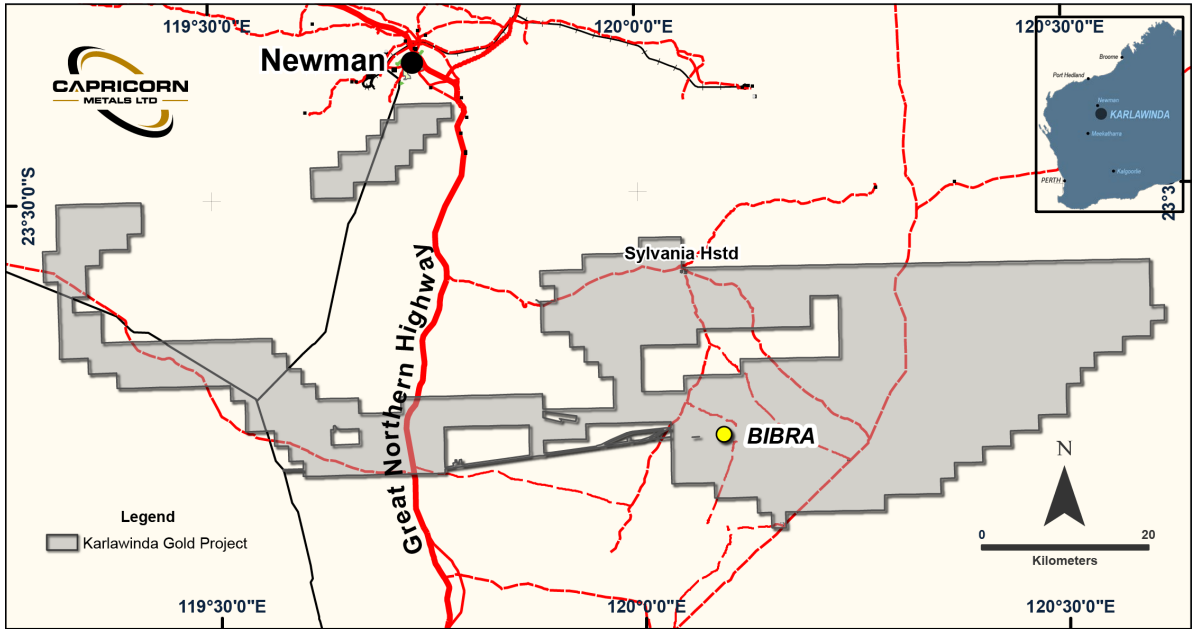
- Single large, low strip ratio open pit
- 3.5 – 4.0 Mtpa CIL processing plant
- 12 year mine life on current Reserves
  - Deposit geometry amenable to cutbacks to mine downdip resources once cost structures established - mine life extension & resource conversion
- Capex estimate A$145 – 155 million
- Excellent access to key infrastructure in premier mining jurisdiction

Large tenure package presents significant exploration opportunity

- Two large scale gold mineralised systems discovered at Karlawinda to date
- >2,000 km^2 of tenure, negligible exploration work outside immediate Bibra deposit

(1) Refer to Listing Rule 5.23 Disclosure on page 2.
(2) Refer to slide 22 for full details of the Mineral Resources.
(3) Refer to slide 23 for full details of the Ore Reserves.

Karlawinda, First Class WA Location



WA - Premier mining jurisdiction

- 60km south east of Newman in Western Australia
- Newman is a key iron ore mining town
  - Mining engineering, suppliers, services
- Road access via the major Great Northern Hwy
- Multiple flights per day Perth to Newman

- Site activities in WA not significantly affected by COVID-19

- WA ranked 1st in Fraser Institute 2019 Annual Survey of Mining Companies[1]

[1] Ranks provinces, states, and countries on an Investment Attractiveness Index, taking both mineral and policy perception into consideration

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Development Underway

In-house project development team

- Significant experience in constructing mines in Australia, Africa & Asia

Construction activities progressing

- Accommodation village operational
- Orders placed for all major long lead processing equipment
- Mechanical and electrical plant design advancing
- Construction of access road and civil earthworks progressing
- Plant concrete & tank erection to commence in current quarter
- Process for major contract awards continuing

Project Design

- CIL plant: 3 stage crushing + ball mill – max flexibility & throughput
  - Designed to achieve throughput rate of 3.5 - 4.0Mtpa
- Production est. 105 – 120kozpa

Project Fully Financed

- $68 million cash at bank (March 2020)
- $100 million financing facilities executed with Macquarie Bank
- 200,000 oz gold hedging rolled out at flat forward price of A$2,250/oz

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Development Underway

Civil earthworks for processing plant

Access road construction

Workshop

Accommodation village

Access borrow pit

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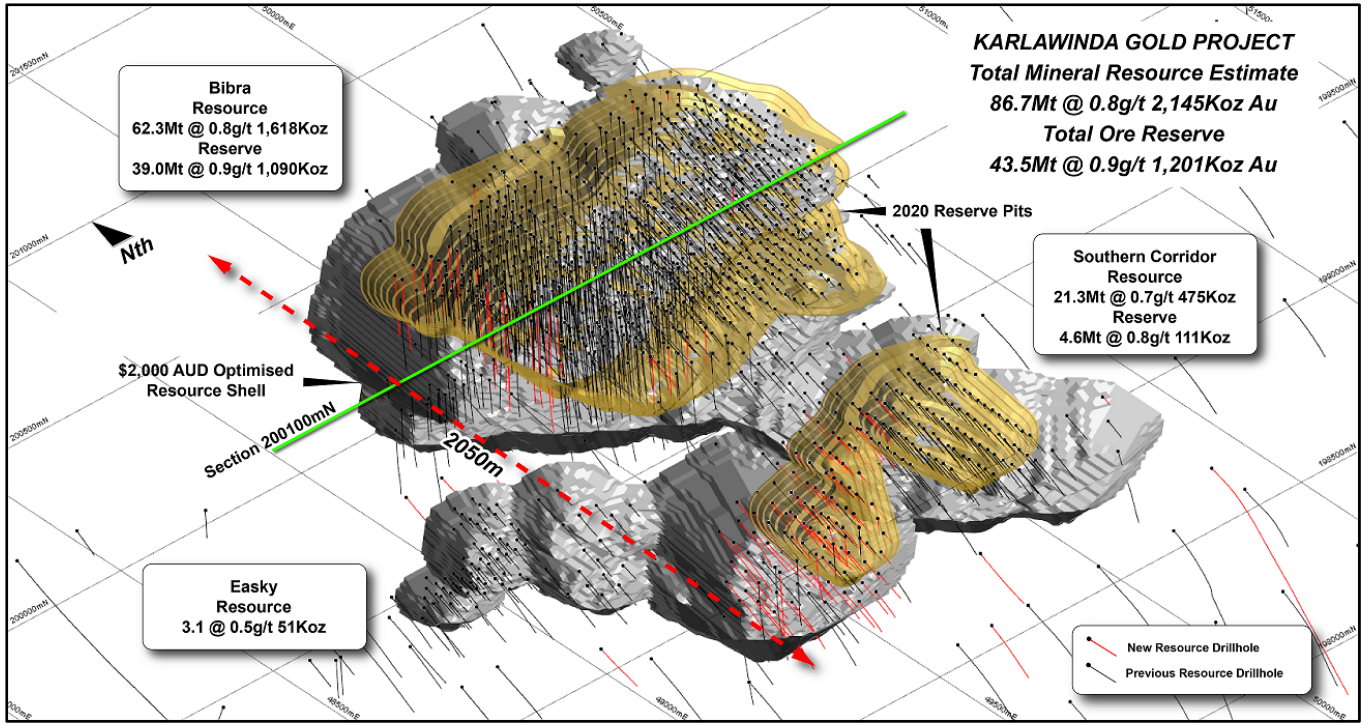
Bibra Mineral Resource and Ore Reserve Growth



	Tonnes (M)	Grade (g/t)	Ounces
Proved & Probable Reserves*	**43.5**	**0.9**	**1,201,000**
M & I Resources	67.2	0.8	1,722,000
Inferred Resources	19.5	0.8	422,000
Total Resources*	**86.7**	**0.8**	**2,145,000**

Ore reserves 1.2 million ounces

Reserve and Resource Update April 2020

Ore Reserves increase by 35% to **1.2Moz**

- Mine life increases from 9 to **12** years
- Strip ratio reduces from 4.8 to 3.6
- The >0.5g/t ore within the Reserve is 32.1Mt @1.0g/t for 1.05Moz
  - 155koz's (17%) higher than 2018 Reserve at same grade and similar strip ratio
  - >0.5g/t mine to mill schedule delivers 105 – 120kozpa

Resource increased by 41% to **2.1Moz**

Gold price used:

- Reserve A$1,600/oz, MRE A$2,000/oz

Max vertical depth of pits:

- Reserve 250m, MRE 312m

* Refer to Listing Rule 5.23 Disclosure on page 2.
* Refer to slide 22 for full details of the Mineral Resource.
* Refer to slide 23 for full details of the Ore Reserve.

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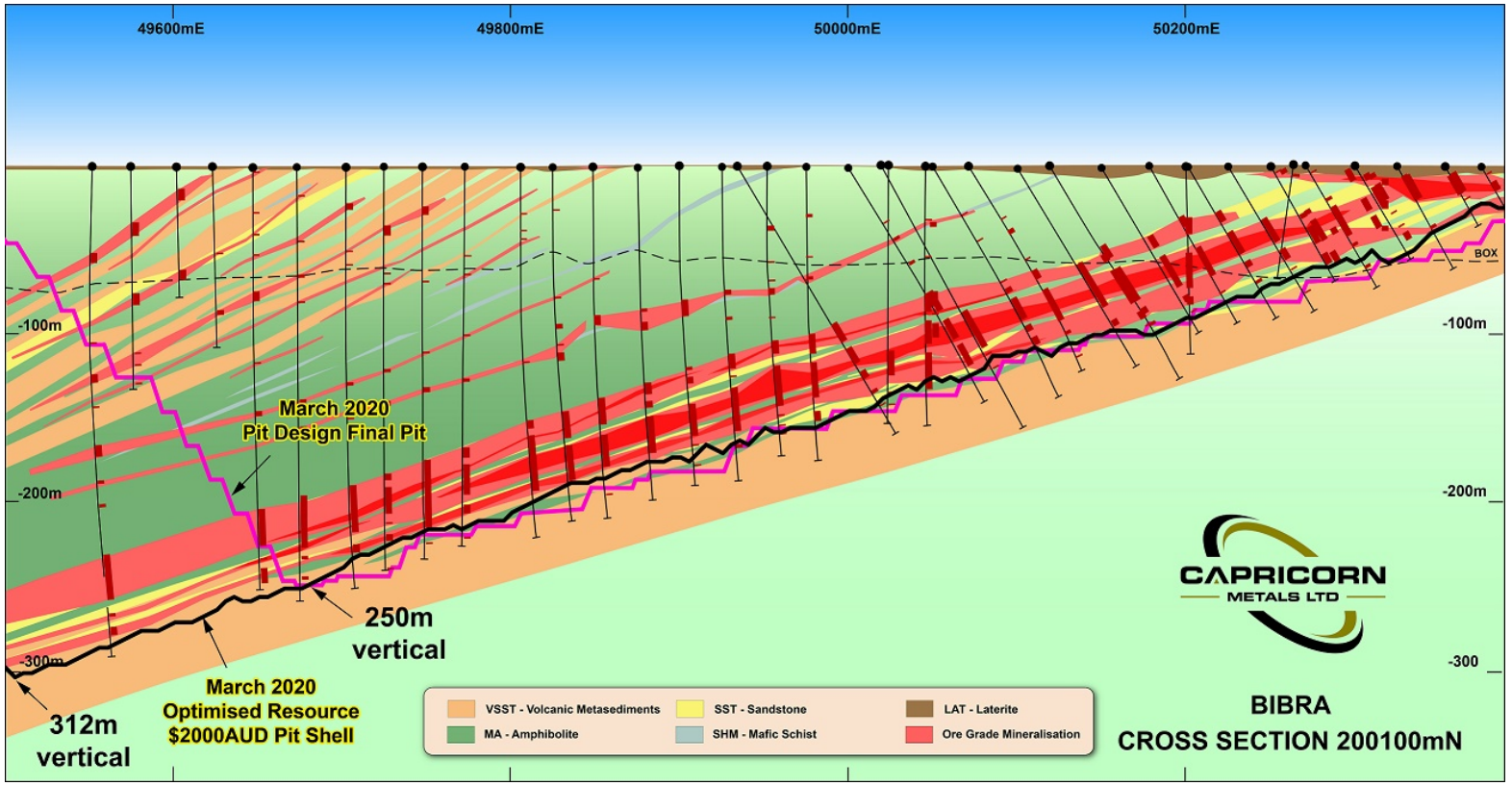
Inherent Scope for Mine Life and Reserve Extension

Orebody Geometry & Continuity – Resource to Reserve Conversion



Geometry & Continuity

- Shallow vertical depths (vd):
  - Reserve 250m
  - MRE 312m
- Mineralisation confirmed at 600m vd*

Optionality

- 937,000oz of MRE not yet in Reserve
  - primarily located down dip of current pit design (ie 250-312m vd)
- Decision on cutbacks to bring MRE ounces in to mine plan expected once operation cost structures established

Outlook

- Decision revolves around gold price and strip ratio matrix:
  - Reserve & MRE gold prices A$700-$1000/oz below spot!
  - Low strip ratio 3.6 on current reserve

Very promising for mine life extension

* 2019 WA Government co-funded hole

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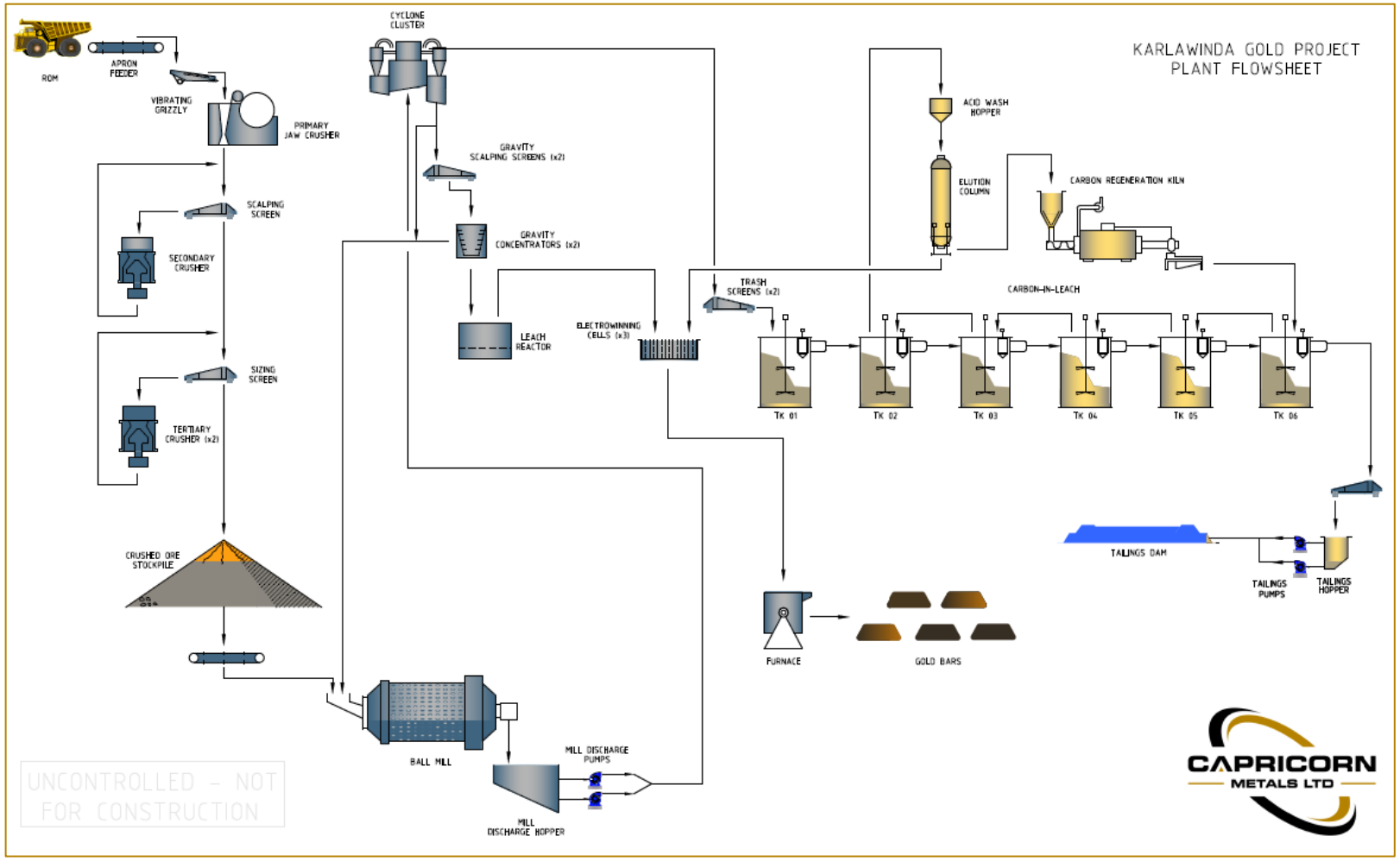
Metallurgy & Processing

- Robust processing plant design completed
  - Three stage crushing circuit and single ball mill design
  - Designed to achieve 3.5 – 4.0Mtpa throughput rate in fresh ore
  - Appointment of Mintrex and ECG Engineering for engineering, plant design and electrical works
  - Power generation on site utilising natural gas via Goldfields Gas Pipeline
  - Order placed for ball mill and crushers



Comminution circuit designed to reduce operating risk and increase flexibility

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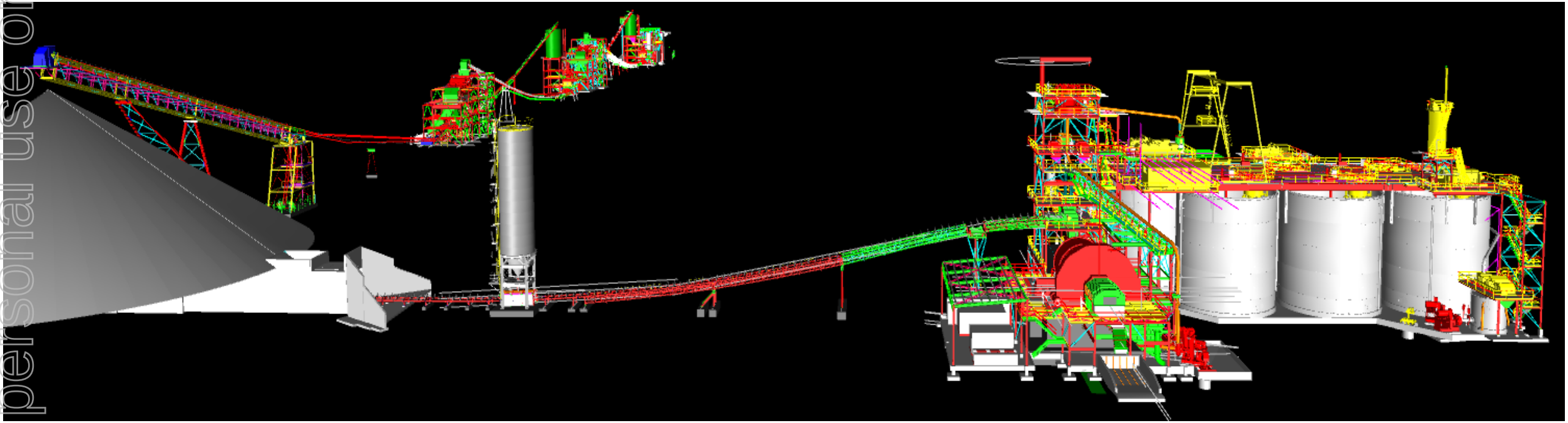
Metallurgy & Processing

Conventional processing, high recoveries



Excellent metallurgical testwork and results

- 92.1% LOM recovery, 45% gravity recoveries in primary ore
- Coarse grind size (P80 150µm oxide and 120µm primary)
- Low reagent consumptions

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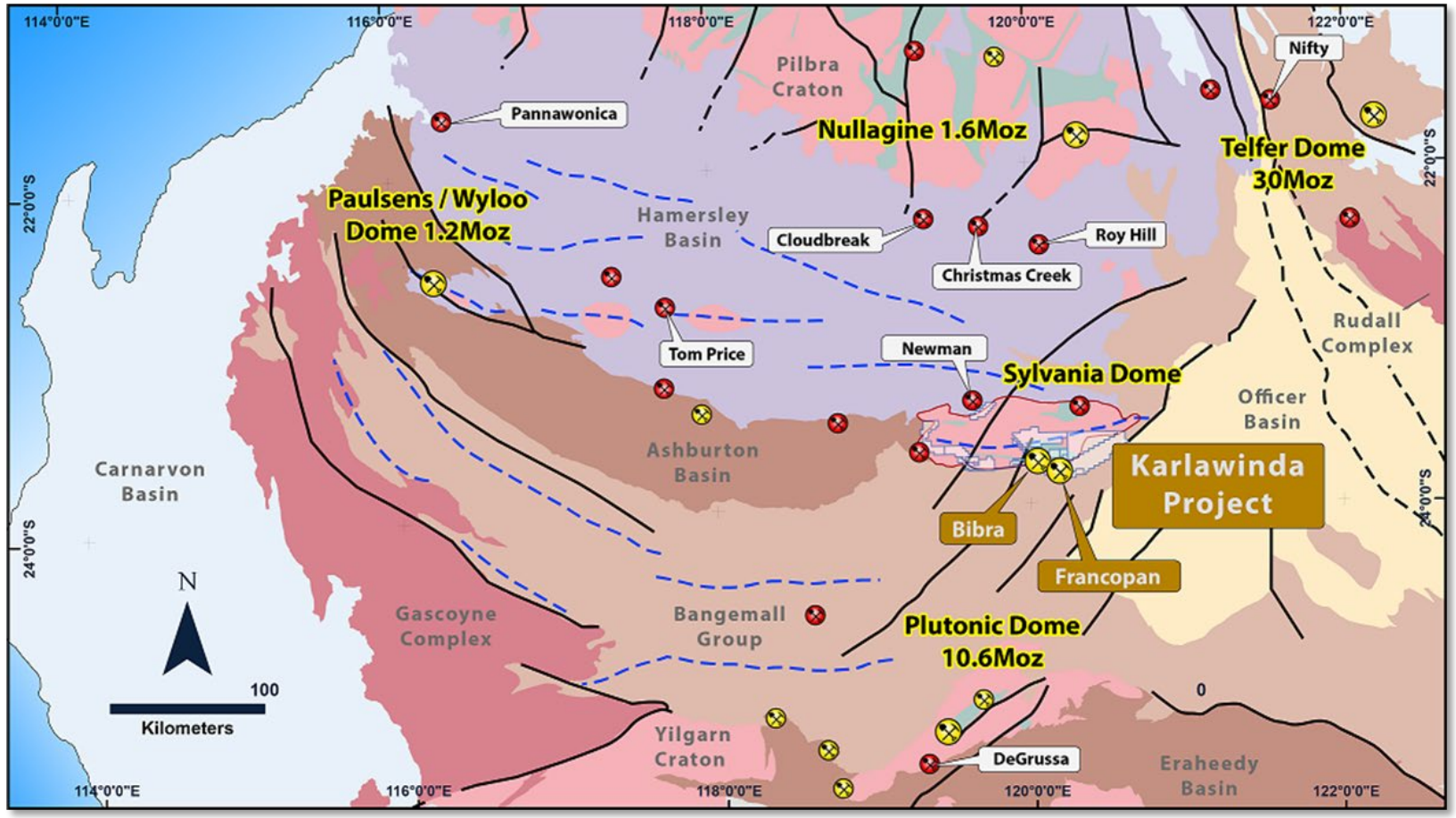
Karlawinda (KGP) Exploration Opportunity

Gold in the Pilbara - Iron Ore Country??



Background to the Opportunity

- Gold occurrences in WA most commonly associated with Archean (3.8-2.8Ga) age rocks
- KGP occurs in the small (>100km wide) Sylvania Dome which is part of the much larger Pilbara Craton (Archean rocks)
- Most of southern portion of Pilbara Craton is overlaid by Hamersley Basin (younger 2.8-2.4Ga rocks) – famously associated with Iron Ore

Very little modern exploration focus in the region for gold

Camp scale gold discovery at KGP unlocks the potential

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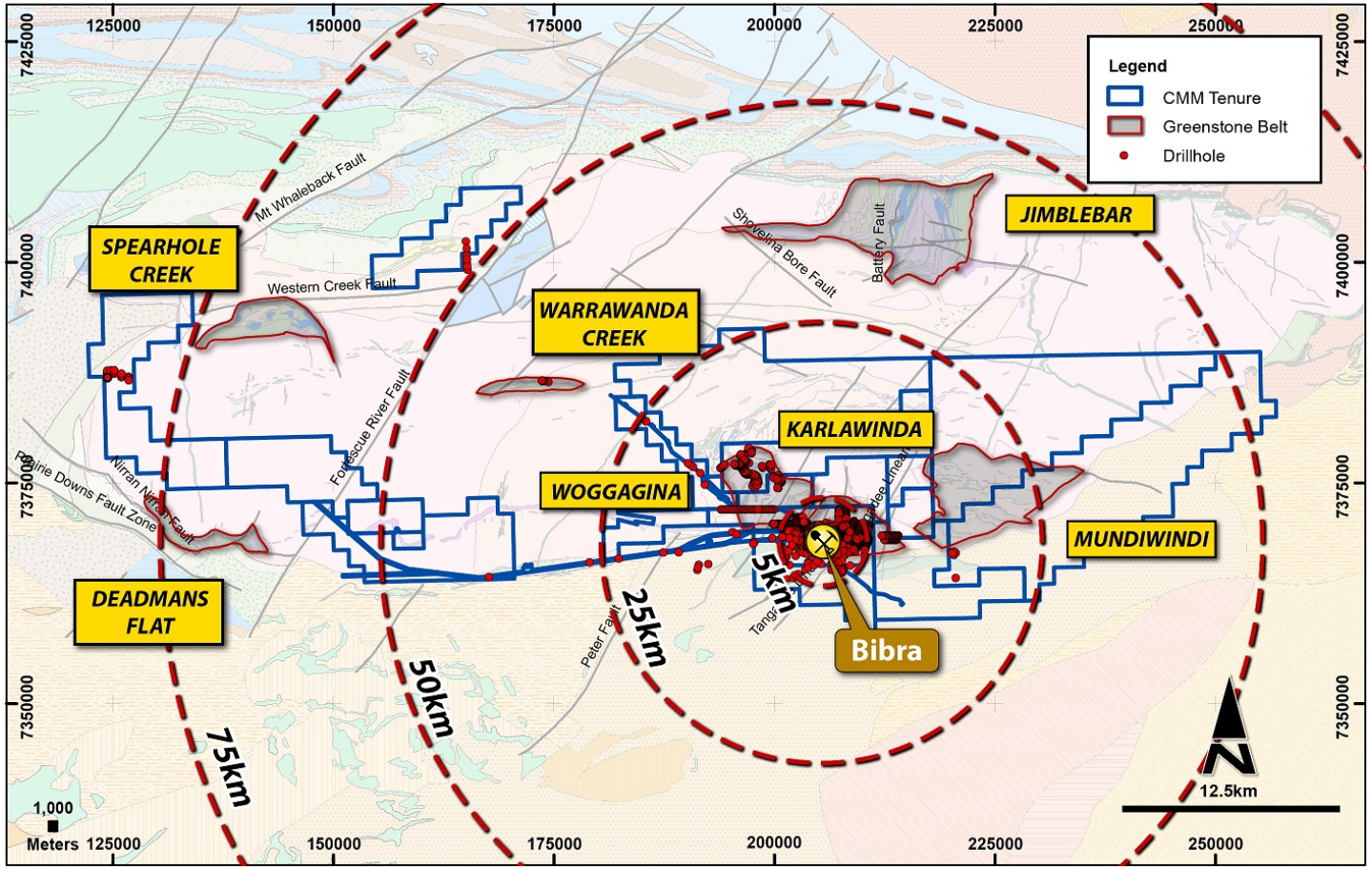
Unlocking the potential of a new gold camp at KGP

Time to look up from working on the first mine (Bibra)



What do we know about KGP?

- CMM owns 2,042km^2 of exploration & mining tenure at KGP (>100km E-W)
- Tenure hosts significant greenstone belt endowed with economic gold mineralisation (Bibra > 2.1Moz*)
- Project lifetime drilling 267,000m
- 97% of drilling within 50km^2 (4km radius) area around Bibra deposit
- Mundiwindi greenstone identified from soil sampling, mapping in 2018. Not drilled.

Almost no significant, modern exploration completed on the large Archean greenstone holding outside first discovery position

* Refer to Listing Rule 5.23 Disclosure on page 2.
* Refer to slide 24 for full details of the Mineral Resource

Once a mill is turning the district potential becomes real

Exploration Strategy

1. Drill out resources

- Extend and convert resources to mine plan
- 2019 drill campaign underpinned April 2020 reserve upgrade
- Hiatus for now, next drilling on resource will be once ops running

2. Near mine (<15km) drilling

- Targeting shallow “Bibra repeats” from numerous prospective targets
- The best place to find new resources is near the processing plant

3. Greenfields exploration

- Large regional tenure holdings (>2,000km^2)
- Cost effective first pass exploration tools proven to work at KGP
  - Soil geochemistry & geophysics - both are markers for Bibra and other deposits at KGP
- First pass aircore drilling of priority targets

We aim to replicate our past experience – development of a mine in a prospective district will see good exploration unlock the endowment of the region.

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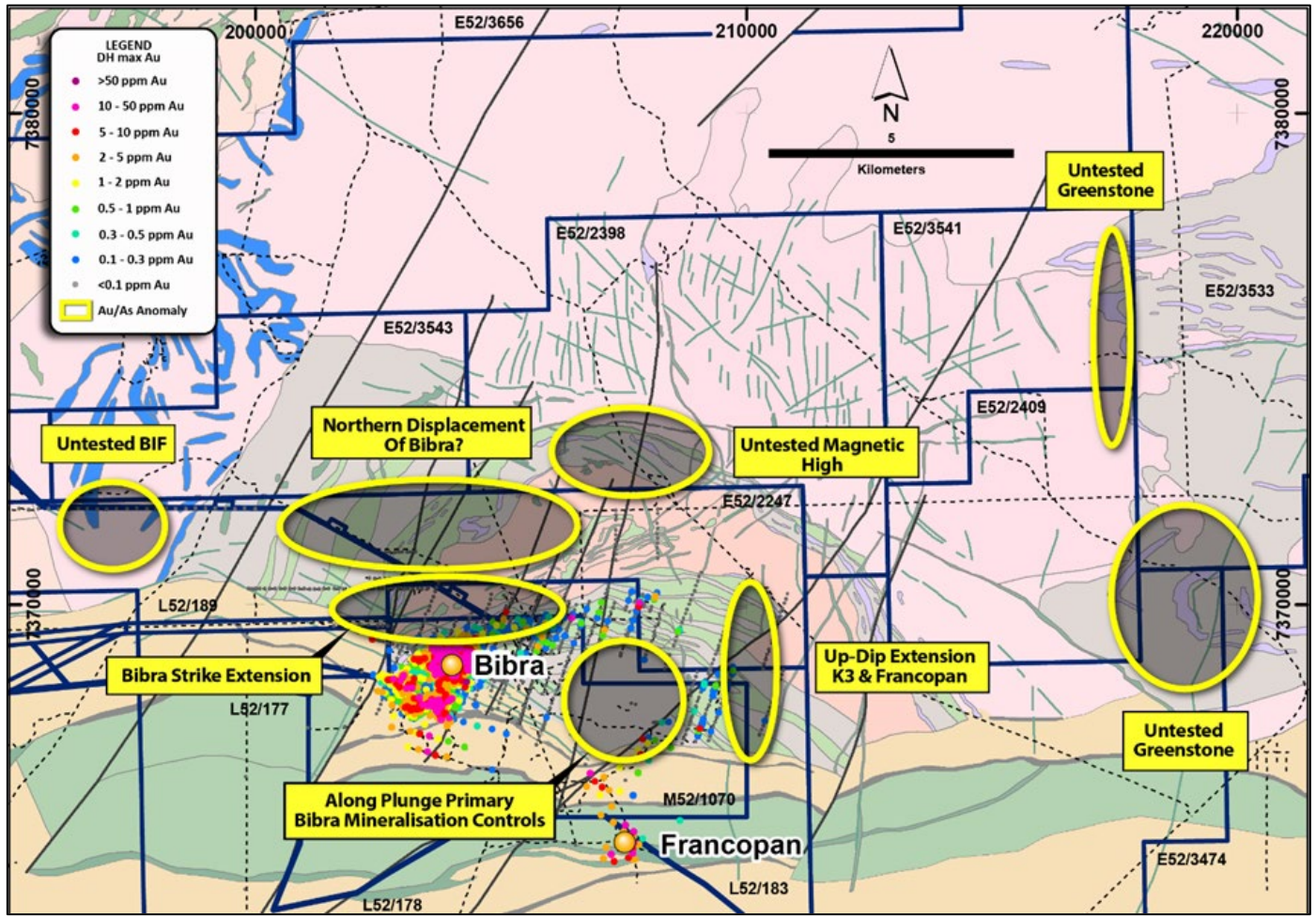
Near mine exploration potential

8 Targets within 15km of Processing Plant Site



Near mine is where we have most data

- Historical data review in Dec19Q
- 8 high-quality targets identified from existing geological, geophysical and geochemical datasets
- We know strong geochem & geophysics signature at Bibra and other deposits
- Targets within 15km of processing plant
- Geochemical anomalies with little to no historic drilling
- Coincidental to major fault structures and geological contacts that contain gold mineralisation along strike.

First pass drilling (20,000m AC) to test these targets commencing June20Q

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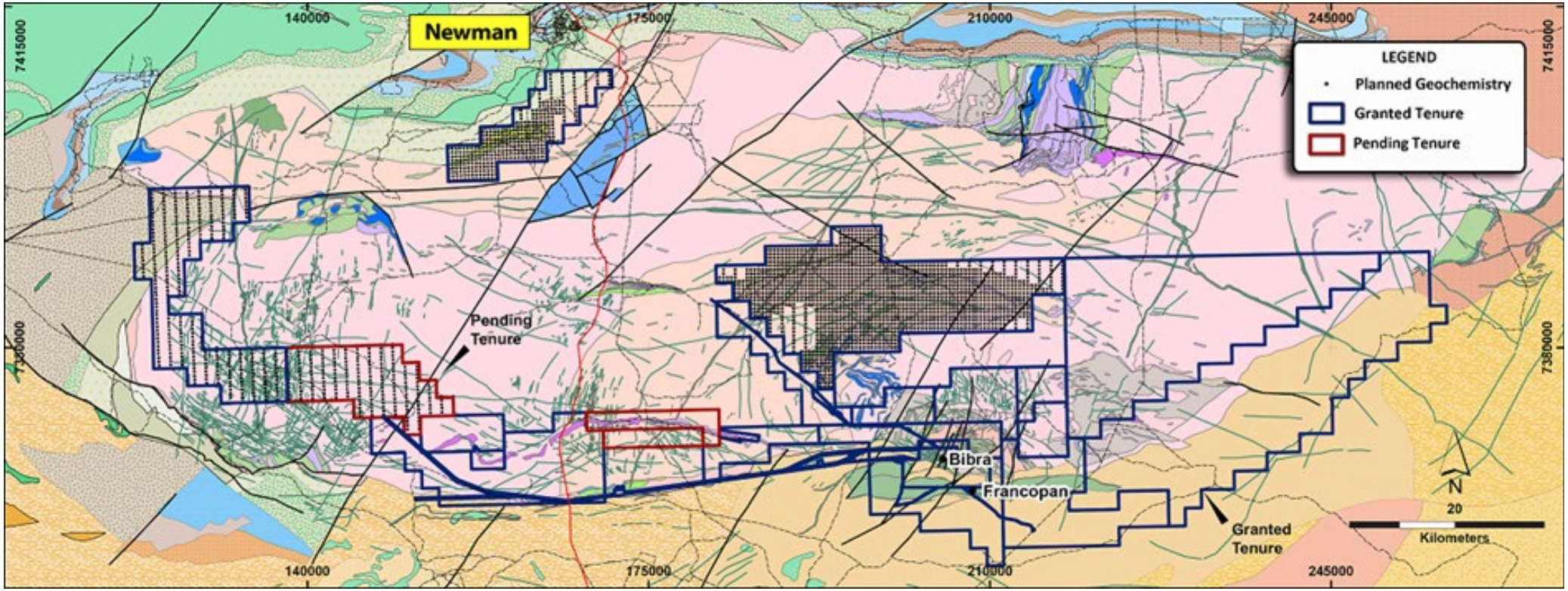
Regional Opportunity – we haven't scratched the surface



- Extensive regional tenement package with limited geological information
  - Large regional tenure holdings (>2,000km^2)
  - Early exploration - geochemical soil sampling, aeromagnetics, geophysics & regolith mapping
  - Geochem soil sampling starting north of Bibra in Jun20Q

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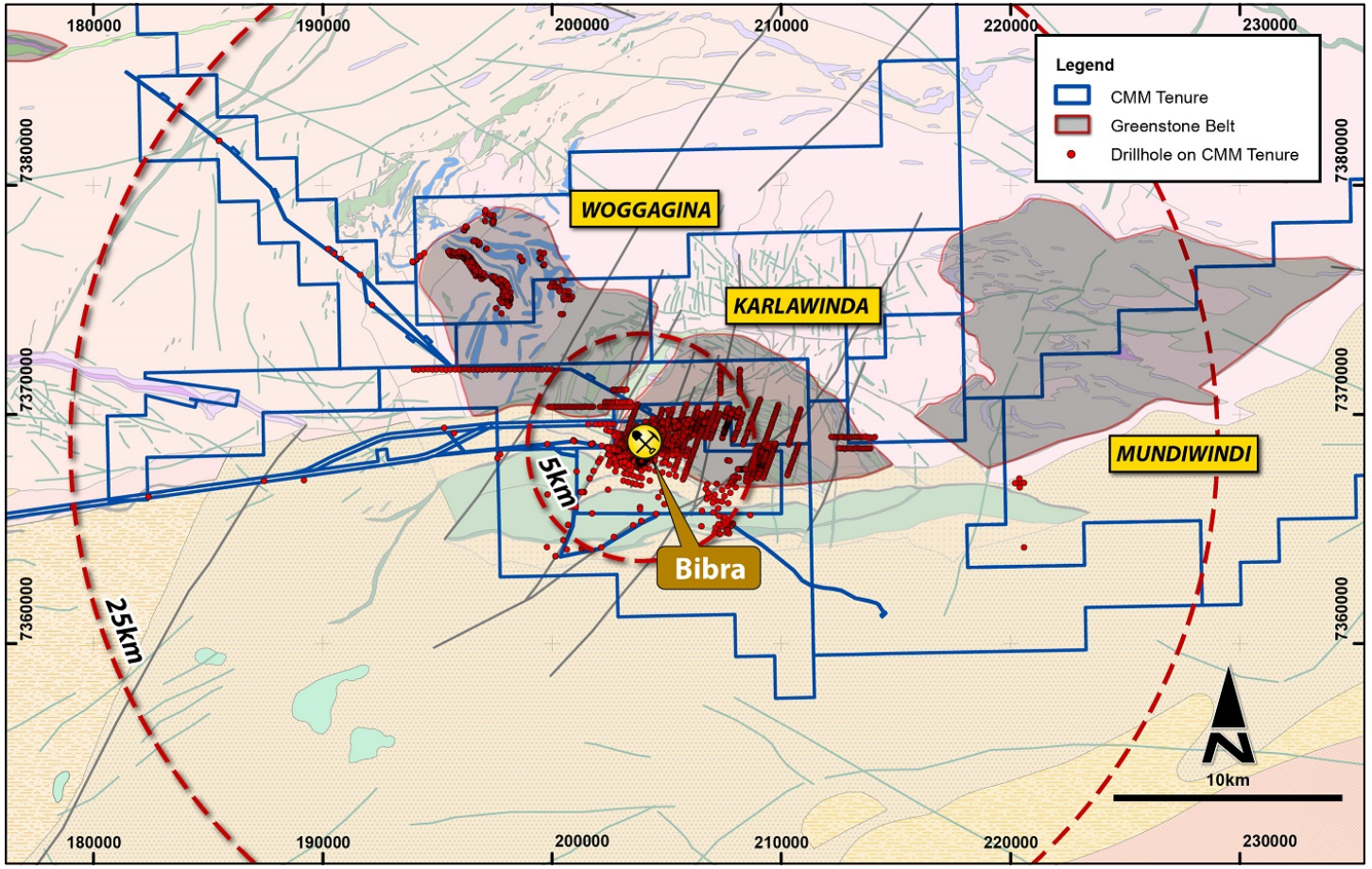
Regional Opportunity – we haven't scratched the surface

Mundiwindi is Case in Point



Newly discovered Mundiwindi greenstone

- 120 km^2 area of greenstone located <12km east of Bibra
- Only identified in 2018, from soil sampling, mapping
- Magnetic and geochemical survey of the greenstone identified areas of coincidental gold prospectivity
- No drilling on Mundiwindi to date
- High priority target area – work programme pending

Regional prospectivity largely untapped - exploration will evolve as project develops.

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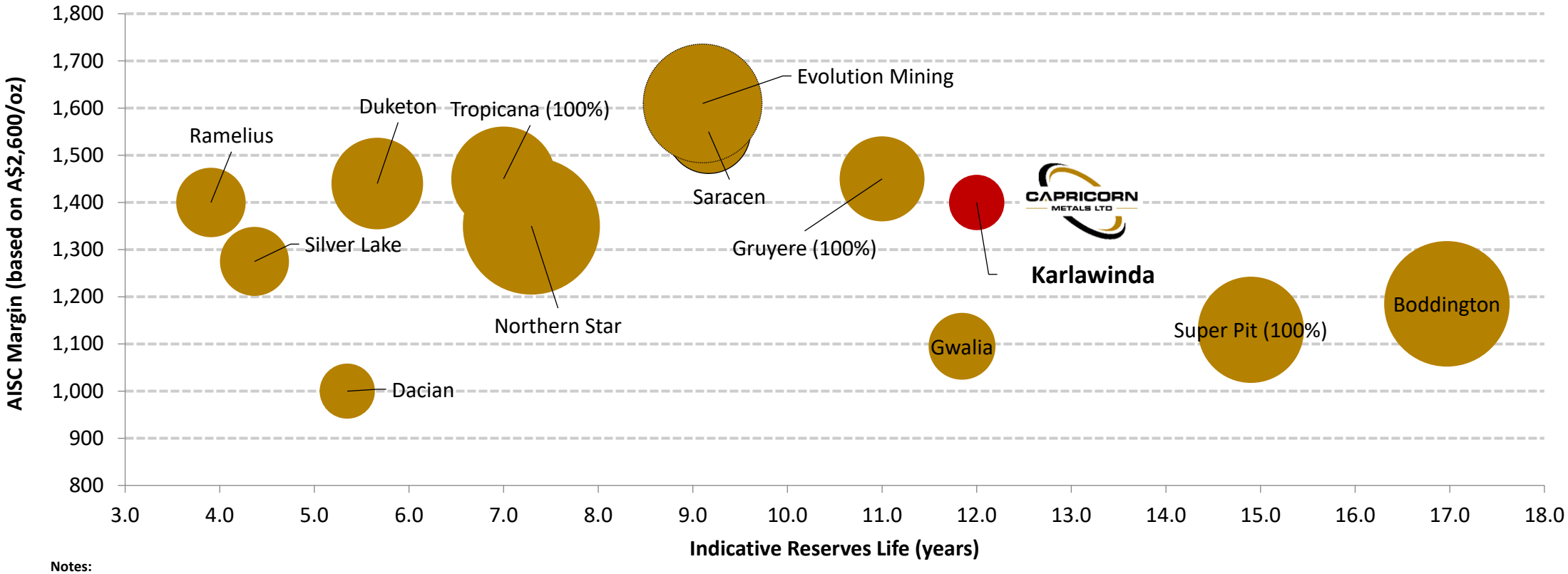
Building a long life, high margin, WA focused gold company

Karlawinda the platform to grow a substantial gold company

Gold Companies/Assets[2,3,4] (Bubble Size = Indicative Production p.a.)[1]



Notes:

1. Production data based on 2020 company guidance where available, otherwise based on last reported year.
2. Indicative reserve life equal to current asset reserve balance divided by annual production.
3. Super Pit has been separated from Northern Star and Saracen figures.
4. AISC margin based on average gold price of A$2,600/oz. AISC data based on 2020 company guidance where available, otherwise based on last reported year.

● ***Capricorn** = 12 year mine life, ASIC of ~A$1,200/oz, 105-120koz p.a.*

Source: Sternship Advisers: May 2020.

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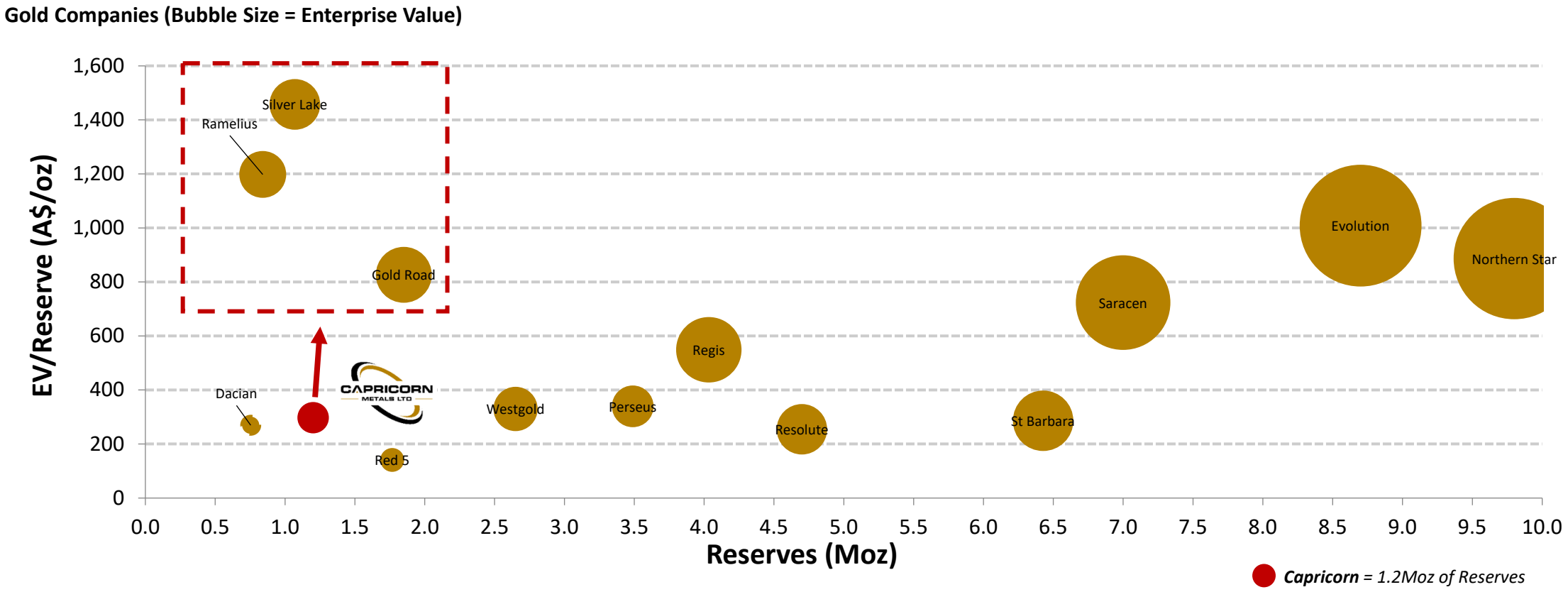
Valuation gap to Australian Mid-tier Producers

Close the valuation gap through project delivery



- Australian gold producer equities attract premium valuations
- CMM only ASX developer constructing a domestic gold project >100kozpa with first production FY21

Note: Red 5 and Capricorn EV/Reserve before any adjustment for project development capex.
Source: Sternship Advisers: May 2020.

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Capricorn Metals Ltd (ASX: CMM)

A compelling opportunity in the Australian gold sector

- **Management team – proven mine developers & wealth creators**
- **Karlawinda Gold Project is a long life, high margin, low technical risk project**
- **Development is fully funded and underway**
- **Western Australia – arguably best mining jurisdiction in the world**
- **Significant exploration opportunity**
- **Karlawinda the platform to grow a substantial gold company**
- **Re-rate equity value through delivery**

- THANK YOU -

Mineral Resource – Karlawinda Gold Project

April 2020

			Indicated			Inferred			Total Mineral Resources		
Deposit	Type	Cut-Off	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Bibra	Open Pit	0.3 <	51.5	0.8	1,374	10.8	0.7	244	62.3	0.8	1,618
Southern Corridor	Open Pit	0.3 <	14.4	0.7	324	6.9	0.7	151	21.3	0.7	475
Easky	Open Pit	0.3 <	1.3	0.6	24	1.8	0.5	28	3.1	0.5	51
Total	Total		67.2	0.8	1,722	19.5	0.7	422	86.7	0.8	2,145

Notes:

1. *Mineral Resources are calculated using a gold price of A$2000/ounce.*
2. *Mineral Resources are calculated using a cut-off grade between 0.3g/t and 0.4g/t Au.*
3. *The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.*

* For full details of Karlawinda Mineral Resource Estimate refer to ASX Announcement dated 17 April 2020.

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Ore Reserve – Bibra Deposit

April 2020

			Proved			Probable			Total Ore Reserve		
Deposit	Type	Cut-Off	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Bibra	Open Pit	0.3 <	-	-	-	39.0	0.9	1,090	39.0	0.9	1,090
Southern Corridor	Open Pit	0.3 <	-	-	-	4.6	0.8	111	4.6	0.8	111
Total	Total		-	-	-	43.5	0.9	1,201	43.5	0.9	1,201

Notes:

1. *Ore Reserves are a subset of Mineral Resources.*
2. *Ore Reserves are calculated using a gold price of A$1600/ounce.*
3. *Ore Reserves are calculated using a cut-off grade between 0.3g/t and 0.4g/t Au.*
4. *The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.*

* For full details of Karlawinda Ore Reserve Estimate refer to ASX Announcement dated 17 April 2020.

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Capricorn Metals Ltd (ASX: CMM)
Level 1, 28 Ord Street
West Perth, WA
enquiries@capmet.com.au
+61 8 9212 4600
www.capmetals.com.au
ABN: 84 121 700 105